

PRESS RELEASE

May 15, 2006

RE: UNITED STATES v. JOSEPH C. DETTELIS

United States Attorney Terrance P. Flynn announced that Chief U.S. District Judge Richard J. Arcara has ordered Joseph C. Dettelis, of 123 Bidwell Parkway, Buffalo, New York, following his sentence for tax violations, to pay the government \$10,000 toward the cost of prosecution.

Assistant U.S. Attorney Marie P. Grisanti and Department of Justice Tax Division Attorney Patrick Pericak, who tried the case for the government last December, said that in a written Order issued Friday, May 15, 2006, Judge Arcara required Dettelis to pay \$3,900 for photocopying of pretrial discovery materials that Dettelis later refused to accept; approximately \$3,200 in witness fees; and approximately \$2,900 in transcript fees. Judge Arcara found that the imposition of those prosecution-related costs are mandatory under the Internal Revenue Code for persons convicted of willfully aiding or assisting in preparing false or fraudulent tax returns.

During in-court sentencing proceedings on May 10, 2006, Judge Arcara had sentenced Dettelis to a 50-month prison term, and imposed a \$2,000 penalty assessment against him.

The prosecutors said that Dettelis, 46, was a self-employed tax preparer who used

the business name of “The Allentown Venture Center, Inc.” Judge Arcara also barred Dettelis from preparing tax returns for businesses and individuals. On December 7, 2005, a jury convicted Dettelis of 20 counts of filing fraudulent or false tax returns for filing claims requesting over \$75,000 in tax refunds for his clients and making false statements to the IRS by claiming to the IRS that he was an attorney. During sentencing proceedings on May 10, 2006, Judge Arcara increased Dettelis’ sentence because the judge found that Dettelis committed perjury when he testified in his own defense at the trial.

At trial, AUSA Grisanti argued that Dettelis’ motive for these crimes was greed because he charged his clients one third of the tax refunds they received. This was one of the factors Chief Judge Arcara noted when he stated that this case was more than a simple case of tax evasion or tax fraud.

This case was the culmination of an investigation by the Internal Revenue Service, Criminal Investigation Division, under the direction of Special Agent in Charge Ann Marie Coons, and Treasury Inspector General For Tax Administration, under the direction of Special Agent in Charge Kevin J. McGlynn. The Department of Justice Tax Division assisted with the trial.